


Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: April 27, 2012

SUBJECT: Fiscal Impact Statement – “Film DC Economic Incentive Amendment Act of 2011”

REFERENCE: Bill Number 19-058 – As Introduced

Conclusion

Funds are sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the proposed bill.

Background

The proposed bill broadens the definition¹ of the types of film expenses that qualify for the Film DC Economic Incentive. Film and TV production companies that spend at least \$250,000 in qualified expenses in the District are currently eligible for this incentive. The bill’s proposed changes to the definitions of “qualified personnel expenditure” and “qualified production expenditure” will make it easier for a production to reach the \$250,000 threshold.

Financial Plan Impact

Funds are sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the proposed resolution. The proposed bill does increase the District’s potential liability for paying the incentive to film companies in that it could allow more productions to surpass the qualified expense threshold. However, the incentives are paid on a ‘first come, first served’ basis from the Film DC Economic Incentive Fund, which in turn is funded entirely through appropriations. Thus, the District’s potential liability is capped by the amount the Mayor and the

¹ The bill amends Section 2c of the Film DC Economic Incentive Act of 2006, effective March 3, 2010 (D.C. Law 18-111; D.C. Official Code § 39-501.03).

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FIS: B19-058 "Film DC Economic Incentive Amendment Act of 2011," as Introduced

Council decide to budget for the Film DC Economic Incentive Fund. Since 2010, when the Fund's balance was swept into the General Fund, the Fund has been empty and has not paid any incentive benefits.